

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE PETITION OF PANDORA MEDIA, INC.

12 Civ. 8035 (DLC) (MHD)

~~PROPOSED~~ JUDGMENT
ORDER

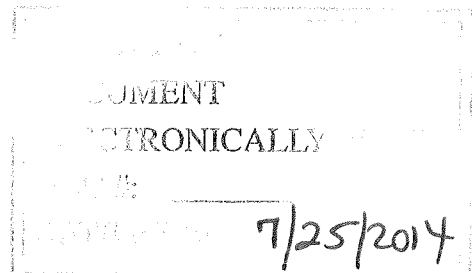
Related to

UNITED STATES OF AMERICA,
Plaintiff,

41 Civ. 1395 (DLC) (MHD)

v.

AMERICAN SOCIETY OF COMPOSERS,
AUTHORS AND PUBLISHERS,
Defendant.



DENISE COTE, District Judge:

WHEREAS, on October 28, 2010, Pandora Media, Inc. ("Pandora") applied to the American Society of Composers, Authors and Publishers ("ASCAP") for a blanket license for the period January 1, 2011 through December 31, 2015;

WHEREAS, on March 16, 2012, Pandora entered into a direct license with EMI Music Publishing ("EMI") for the period January 1, 2012 through December 31, 2013 (the "EMI-Pandora License");

WHEREAS, on November 5, 2012, Pandora applied to this Court pursuant to Section IX(a) of the Second Amended Final Judgment herein for a determination of final license fees for the period January 1, 2011 through December 31, 2015;

WHEREAS, on December 21, 2012, Pandora entered into a direct license with Sony/ATV Music Publishing (“Sony/ATV”) for the period January 1, 2013 through December 31, 2013 (the “Sony-Pandora License”);

WHEREAS, on July 1, 2013, Pandora entered into a direct license with Universal Music Publishing Group (“UMPG”) for the period July 1, 2013 through December 31, 2013 (the “UMPG-Pandora License”);

WHEREAS, on September 17, 2013, this Court granted Pandora’s motion for summary judgment concerning ASCAP publisher withdrawals of new media licensing rights;

WHEREAS, on December 20, 2013, the parties entered into a limited confidential settlement agreement concerning advertising and sponsorship revenue deductions (the “12/20/13 Letter Agreement”);

WHEREAS the Court, following a bench trial held from January 21, 2014 to February 10, 2014, issued an Opinion & Order dated March 14, 2014 (and publicly filed on March 18, 2014) determining the reasonable final license fees for Pandora; it is hereby

ORDERED:

1. For the period January 1, 2011 through December 31, 2015 (“the License Term”), Pandora is licensed to perform all of the works in the ASCAP repertory in the United States (the “Licensed Performances”). Pandora shall pay annual license fees to ASCAP equal to 1.85% of Pandora’s combined User Revenue and Sponsor Revenue, subject to the additional terms set forth in the 12/20/13 Letter Agreement. For the purpose of this Judgment Order, the term “User Revenue” means all U.S. GAAP revenue recognized by Pandora from third parties as subscriber fees, connect time charges and

any other access fees in connection with the Licensed Performances, and the term “Sponsor Revenue” means all U.S. GAAP revenue recognized by Pandora from third parties attributable to the sale, provision and/or delivery of any form of advertising inventory, sponsorships, promotions or marketing campaigns in connection with the Licensed Performances.

2. The parties have agreed on appropriate adjustments to the license fees paid by Pandora to ASCAP to reflect payments made by Pandora to (i) EMI in connection with the EMI-Pandora License, and (ii) Sony/ATV in connection with the Sony-Pandora License.

3. The parties agree to work in good faith to make further appropriate adjustments, if any, to the license fees paid by Pandora to ASCAP to reflect any payments made by Pandora to (i) UMPG in connection with the UMPG-Pandora License, and (ii) any ASCAP members who directly license Pandora during the period January 1, 2014 through December 31, 2015. In the event that the parties are unable to agree upon such adjustments, either party may apply to the Court for a determination of the appropriate adjustments as provided in Paragraph 7 below.

4. Pandora shall submit license fee reports and payments to ASCAP for each calendar quarter during the remainder of the License Term within thirty (30) days after the end of each calendar quarter, calculated in accordance with a License Fee Report Form to be separately agreed to by the parties.

5. Pandora shall provide to ASCAP music use information in the format set forth in Exhibit A hereto for each calendar quarter during the remainder of the License Term within thirty (30) days after the end of each calendar quarter; provided, however,

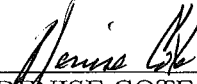
that if music use information for the first quarter of 2014 has not been submitted to ASCAP by the date of entry of this Judgment Order, such music use information shall be submitted by Pandora within fifteen (15) days of the date of entry of this Judgment Order.

6. The parties shall negotiate in good faith, within 90 days of the entry of this Judgment Order, a long-form agreement specifying all other appropriate terms and conditions of the license between ASCAP and Pandora, including, but not limited to, the terms and conditions upon which ASCAP is entitled to audit Pandora's books and records.

7. This Court maintains continuing jurisdiction over the above-captioned proceeding for the purposes of hearing applications and making orders necessary or appropriate to give effect to or to modify this Judgment Order.

SO ORDERED:

Dated: New York, New York
July ~~24~~, 2014



DENISE COTE
United States District Judge

EXHIBIT A**Quarterly Music Use Report Format**

FIELD NAME	DATA TYPE (length)	REQUIRED?	NOTES
Service Name	Character (90)	YES	PANDORA
Service URL	Character (90)	YES	www.pandora.com
Report Type	Character (01)	YES	Q for Quarterly
Reporting Period	Numeric (08)	YES	MMDDYYYY (last day of quarter)
Song Title	Character (90)	YES	
Writer / Composer Name	Character (90)	NO	
Artist / Performer Name	Character (90)	YES	
Song ID	Character (15)	NO	Unique <u>permanent</u> identifier for a musical work in your system
Usage Type	Character (02)	NO	F for <i>Feature</i> BG for <i>Background</i> TH for <i>Theme</i> J for <i>Jingle</i>
ISRC	Character (12)	NO	<i>International Standard Recording Code</i>
ISWC	Character (35)	NO	<i>International Standard Work Code</i>
Performance Type	Character (02)	YES	IT for <i>Interactive</i> NI for <i>Non-Interactive</i>
Performance Duration	Numeric (04)	NO	MMSS
Product Name	Character (35)	NO	Commercials Only
Number of Performances	Numeric (10)	YES	

The file is to be formatted as a .TXT pipe delimited file – i.e. the | symbol is to be used to separate field values. For optional fields that will not be reported, a blank value should be reported between the delimiter to preserve the file format; i.e., use delimiters with no value provided, e.g., ||. Quotes around text are not to be used.

Report Submission

FTP SITE: ftp.ascap.com
USER: pandora
PASSWORD: 49Fit96